

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:30 a.m. on **THURSDAY, NOVEMBER 6, 2008**, upon the application of **STROUD PETROLEUM, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone, Reservoir C, and the Cotton Valley Zone, Reservoir B**, in the Hico-Knowles Field, Lincoln Parish, Louisiana.

1. To establish rules and regulations and to create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir C.
2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir B.
3. To force pool and unitize all separately owned tracts, mineral leases and other property interests within said units, with allocation of production from the tracts within such units to be on the basis of surface acreage.
4. To permit Applicant to combine downhole production from the Hosston Zone, Reservoir C and Cotton Valley Zone, Reservoir B, in any well drilled on the proposed units in which the ownership and acreage are identical.
5. Except to the extent inconsistent herewith, to extend the provisions of Office of Conservation Order Nos. 137-BB-2, effective May 24, 2005 and 137-X-14, effective May 24, 2005, to the proposed HOSS RC SUF and CV RB SUH, respectively.
6. To consider such other matters as may pertinent.

The Hosston Zone, Reservoir C was fully defined in Order No. 137-B-2, effective May 24, 2005. The Cotton Valley Zone, Reservoir B was fully defined in Order No. 137-X-14, effective May 24, 2005.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

**JAMES H. WELSH
COMMISSIONER OF CONSERVATION**

Baton Rouge, LA

9/30/08;10/3/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN(10) WORKING DAYS OF THE HEARING DATE.